

English Translation of Financial Statements Originally Issued in Chinese
KING YUAN ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

As of March 31, 2020 and March 31, 2019

| Assets | 2020/3/31 | 2019/12/31 | 2019/3/31 |
|---|-------------------|-------------------|-------------------|
| | NT\$'000 | NT\$'000 | NT\$'000 |
| Current assets | | | |
| Cash and cash equivalents | 6,700,252 | 6,166,005 | 4,494,304 |
| Financial assets at fair value through profit or loss-current | 0 | 0 | 101,592 |
| Financial assets at fair value through other comprehensive income | 22,944 | 30,114 | 21,223 |
| Contract assets-current | 135,645 | 126,182 | 241,452 |
| Notes receivable, net | 4,414 | 4,268 | 13,984 |
| Accounts receivable, net | 4,919,512 | 4,936,281 | 3,917,896 |
| Accounts receivable from related parties, net | 1,278,897 | 911,027 | 735,975 |
| Other receivables | 338,586 | 278,134 | 275,973 |
| Other receivables from related parties | 6,326 | 7,956 | 4,889 |
| Inventories, net | 1,283,527 | 1,081,035 | 1,090,188 |
| Prepayments | 220,769 | 272,607 | 707,813 |
| Other current assets | 112,644 | 77,370 | 195,250 |
| Other financial assets-current | 4 | 4 | 264 |
| Total current assets | 15,023,520 | 13,890,983 | 11,800,803 |
| Non-current assets | | | |
| Financial assets at fair value through other comprehensive income-non-curre | 2,067,001 | 2,425,166 | 1,928,388 |
| Investments accounted for using the equity method | 69,224 | 65,228 | 65,088 |
| Property, plant and equipment | 37,955,173 | 36,890,887 | 32,363,089 |
| Right-of-use assets | 1,343,369 | 1,373,907 | 632,991 |
| Intangible assets | 69,840 | 73,795 | 149,435 |
| Deferred tax assets | 256,923 | 229,882 | 343,905 |
| Other financial assets-non-current | 113,125 | 113,125 | 112,400 |
| Other non-current assets | 16,900 | 16,176 | 16,260 |
| Total non-current assets | 41,891,555 | 41,188,166 | 35,611,556 |
| Total assets | 56,915,075 | 55,079,149 | 47,412,359 |

English Translation of Financial Statements Originally Issued in Chinese
KING YUAN ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Continued)

As of March 31, 2020 and March 31, 2019

| Liabilities and shareholders' Equity | 2020/3/31 | 2019/12/31 | 2019/3/31 |
|--|-------------------|-------------------|-------------------|
| | NT\$'000 | NT\$'000 | NT\$'000 |
| Liabilities | | | |
| Current liabilities | | | |
| Short-term loans | 471,927 | 493,383 | 114,419 |
| Contract liabilities-current | 76,757 | 68,330 | 108,637 |
| Notes payable | 14,014 | 1,633 | 14,952 |
| Accounts payable | 1,165,259 | 1,054,963 | 840,779 |
| Accounts payable to related parties | 28,319 | 30,713 | 5,351 |
| Other payables | 2,877,844 | 2,973,602 | 1,967,400 |
| Other payables to related parties | 80,571 | 91,048 | 60,909 |
| Payables on equipment | 1,557,370 | 963,512 | 717,733 |
| Current tax liabilities | 880,111 | 723,277 | 389,087 |
| Lease liabilities-current | 674,224 | 792,980 | 18,897 |
| Current portion of long-term liabilities | 838,875 | 403,605 | 197,233 |
| Other current liabilities | 463,542 | 303,923 | 247,302 |
| Total current liabilities | 9,128,813 | 7,900,969 | 4,682,699 |
| Non-current liabilities | | | |
| Long-term loans | 19,960,952 | 19,924,440 | 16,644,265 |
| Deferred tax liabilities | 43,509 | 39,921 | 299 |
| Lease liabilities-non-current | 481,467 | 485,263 | 507,063 |
| Net defined benefit liabilities | 528,169 | 528,169 | 481,570 |
| Guarantee deposits | 1,933 | 1,933 | 1,580 |
| Total non-current liabilities | 21,016,030 | 20,979,726 | 17,634,777 |
| Total liabilities | 30,144,843 | 28,880,695 | 22,317,476 |
| Equity | | | |
| Equity attributable to owners of the parent company | | | |
| Share capital | | | |
| Common stock | 12,227,451 | 12,227,451 | 12,227,451 |
| Capital surplus | 4,832,721 | 4,832,721 | 4,843,558 |
| Retained earnings | | | |
| Legal reserve | 2,359,299 | 2,359,299 | 2,179,765 |
| Special reserve | 803,172 | 803,172 | 431,239 |
| Undistributed earnings | 7,266,186 | 6,371,702 | 5,976,702 |
| Total retained earnings | 10,428,657 | 9,534,173 | 8,587,706 |
| Other equity | (725,113) | (402,406) | (570,441) |
| Equity attributable to owners of the parent company | 26,763,716 | 26,191,939 | 25,088,274 |
| Non-controlling interests | 6,516 | 6,515 | 6,609 |
| Total equity | 26,770,232 | 26,198,454 | 25,094,883 |
| Total liabilities and equities | 56,915,075 | 55,079,149 | 47,412,359 |

English Translation of Financial Statements Originally Issued in Chinese
KING YUAN ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the three months ended March 31, 2020 and 2019

| | For the three months ended March 31, | |
|--|--------------------------------------|----------------|
| | 2020 | 2019 |
| | NT\$'000 | NT\$'000 |
| Net sales | 7,001,154 | 5,260,124 |
| Operating Costs | 4,968,439 | 4,137,141 |
| Gross Profit | 2,032,715 | 1,122,983 |
| Operating expenses | | |
| Selling expenses | 98,818 | 89,550 |
| Administrative expenses | 406,885 | 355,182 |
| Research and development expenses | 258,307 | 219,723 |
| Expected credit losses | 229 | 123 |
| Total operating expenses | 764,239 | 664,578 |
| Operating Income | 1,268,476 | 458,405 |
| Non-operating income and expenses | | |
| Other income | 18,006 | 62,774 |
| Other gains and losses | (20,787) | 27,697 |
| Finance costs | (103,857) | (68,007) |
| Shares of profit of associates accounted for using the equity method | 3,996 | 2,736 |
| Total non-operating income and expenses | (102,642) | 25,200 |
| Net income before income tax | 1,165,834 | 483,605 |
| Income tax expense | 271,414 | 104,239 |
| Net income | 894,420 | 379,366 |
| Other comprehensive income | | |
| Item that will not be reclassified subsequently to profit or loss: | | |
| Unrealized gains or losses from equity instruments investments measured at fair value through other comprehensive income | (365,335) | 181,142 |
| Income tax related to components of other comprehensive income that will not be reclassified to profit or loss | 73,067 | (34,479) |
| Item that will be reclassified subsequently to profit or loss: | | |
| Exchange differences resulting from translating the financial statements of foreign operations | (37,989) | 107,589 |
| Income tax related to components of other comprehensive income that will be reclassified to profit or loss | 7,610 | (21,517) |
| Total other comprehensive income(losses), net of tax | (322,647) | 232,735 |
| Total comprehensive income | 571,773 | 612,101 |
| Net income attributable to: | | |
| Owners of the parent company | 894,479 | 379,409 |
| Non-controlling interests | (59) | (43) |
| | 894,420 | 379,366 |
| Total comprehensive income attributable to: | | |
| Owners of the parent company | 571,772 | 612,141 |
| Non-controlling interests | 1 | (40) |
| | 571,773 | 612,101 |
| Basic earnings per share | 0.73 | 0.31 |
| Diluted earnings per share | 0.72 | 0.31 |

English Translation of Financial Statements Originally Issued in Chinese

KING YUAN ELECTRONICS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three months ended March 31, 2020 and 2019

| | Common stock | Capital surplus | Legal reserve | Special reserve | Undistributed earnings | Exchange differences resulting from translating the financial statements of foreign operations | Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income | Equity attributable to owners of the parent company | Non- controlling interests | Total equity |
|--|-------------------|--------------------|------------------|--------------------|---------------------------|--|---|---|----------------------------------|-------------------|
| | NT\$'000 | NT\$'000 | NT\$'000 | NT\$'000 | NT\$'000 | NT\$'000 | NT\$'000 | NT\$'000 | NT\$'000 | NT\$'000 |
| Balance as of January 1, 2019 | 12,227,451 | 4,844,536 | 2,179,765 | 431,239 | 5,597,293 | (292,128) | (511,045) | 24,477,111 | 42,741 | 24,519,852 |
| Profit for the three months ended March 31, 2019 | | | | | 379,409 | | | 379,409 | (43) | 379,366 |
| Other comprehensive income for the three months ended March 31, 2019 | | | | | | 86,069 | 146,663 | 232,732 | 3 | 232,735 |
| Total comprehensive income | 0 | 0 | 0 | 0 | 379,409 | 86,069 | 146,663 | 612,141 | (40) | 612,101 |
| Changes in ownership interests in subsidiaries | | (978) | | | | | | (978) | (36,092) | (37,070) |
| Balance as of March 31, 2019 | 12,227,451 | 4,843,558 | 2,179,765 | 431,239 | 5,976,702 | (206,059) | (364,382) | 25,088,274 | 6,609 | 25,094,883 |
| Balance as of January 1, 2020 | 12,227,451 | 4,832,721 | 2,359,299 | 803,172 | 6,371,702 | (441,617) | 39,211 | 26,191,939 | 6,515 | 26,198,454 |
| Profit for the three months ended March 31, 2020 | | | | | 894,479 | | | 894,479 | (59) | 894,420 |
| Other comprehensive income for the three months ended March 31, 2020 | | | | | | (30,439) | (292,268) | (322,707) | 60 | (322,647) |
| Total comprehensive income | 0 | 0 | 0 | 0 | 894,479 | (30,439) | (292,268) | 571,772 | 1 | 571,773 |
| Changes in ownership interests in subsidiaries | | | | | 5 | | | 5 | | 5 |
| Balance as of March 31, 2020 | 12,227,451 | 4,832,721 | 2,359,299 | 803,172 | 7,266,186 | (472,056) | (253,057) | 26,763,716 | 6,516 | 26,770,232 |

English Translation of Financial Statements Originally Issued in Chinese
KING YUAN ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three months ended March 31, 2020 and 2019

| | For the three months ended March 31, | |
|---|--------------------------------------|--------------------|
| | 2020 | 2019 |
| | NT\$'000 | NT\$'000 |
| Cash flows from operating activities | | |
| Profit before income tax from continuing operations | 1,165,834 | 483,605 |
| Adjustments for : | | |
| Depreciation | 2,029,186 | 1,671,598 |
| Amortization | 14,402 | 22,722 |
| Expected credit loss | 229 | 123 |
| Net gain on financial assets at fair value through profit or loss | 0 | (131) |
| Interest expense | 103,857 | 68,007 |
| Interest income | (1,981) | (331) |
| Investment gain accounted for using the equity method | (3,996) | (2,736) |
| Gain on disposal of property, plant and equipment | (1,822) | (8,250) |
| Unrealized foreign exchange loss | 81,252 | 17,224 |
| Changes in operating assets and liabilities | | |
| Contract assets | (9,463) | 47,975 |
| Notes receivable | (146) | (140) |
| Accounts receivable | 16,545 | 500,661 |
| Accounts receivable due from related parties | (367,870) | 33,756 |
| Other receivable | (59,456) | (39,564) |
| Other receivable due from related parties | 1,991 | 6,431 |
| Inventories | (202,492) | 46,964 |
| Prepayments | (41,549) | (18,375) |
| Other current assets | (35,274) | (4,151) |
| Contract liabilities | 8,427 | 22,674 |
| Notes payable | 12,381 | (35,204) |
| Accounts payable | 110,296 | (342,986) |
| Accounts payable to related parties | (2,394) | (7,040) |
| Other payable | (95,460) | (308,675) |
| Other payable to related parties | (11,588) | (19,678) |
| Other current liabilities | 159,619 | (76,606) |
| Cash generated from operating activities | 2,870,528 | 2,057,873 |
| Interest received | 985 | 7,033 |
| Income taxes paid | (57,356) | (1,186) |
| Net cash provided by operating activities | 2,814,157 | 2,063,720 |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (2,417,875) | (2,166,366) |
| Proceeds from disposal of property, plant and equipment | 2,301 | 9,407 |
| Increase in refundable deposits | (719) | (424) |
| Acquisition of intangible assets | (10,495) | (907) |
| Increase in other financial assets | 0 | (2,748) |
| Net cash used in investing activities | (2,426,788) | (2,161,038) |
| Cash flows from financing activities | | |
| Increase in short-term loans | 9,686 | 0 |
| Decrease in short-term loans | (28,133) | 0 |
| Borrowing in long-term loans | 11,505,701 | 3,763,370 |
| Repayments of long-term loans | (11,121,339) | (3,874,272) |
| Increase in guarantee deposits | 0 | 7 |
| Cash payment for the principal portion of the lease liabilities | (129,680) | (7,075) |
| Acquisition of ownership interests in subsidiaries | 0 | (37,070) |
| Interest paid | (94,655) | (62,887) |
| Net cash provided by(used in) financing activities | 141,580 | (217,927) |
| Effect of change in exchange rate on cash and cash equivalents | 5,298 | 22,923 |
| Net increase(decrease) in cash and cash equivalents | 534,247 | (292,322) |
| Cash and cash equivalents at the beginning of the period | 6,166,005 | 4,786,626 |
| Cash and cash equivalents at the end of the period | 6,700,252 | 4,494,304 |